

Idaho Grain Market Report, April 9, 2020—NEW CROP PRICES

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday April 8 2020. Barley prices in \$/Cwt. And wheat prices in \$/bu.

	Barley (Cwt.) FEED 48 lbs or better	MALTING Open Market Malting	Wheat (bu.) Milling #1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% Protein	#1 HWW
Rexburg / Ririe	5.75-6.50		4.45-4.71	4.76	5.17	4.55-4.76
Idaho Falls		8.30-8.33				
Blackfoot / Pocatello		7.06				
Grace / Soda Springs	6.75			4.73	5.01	4.28
Burley / Rupert	6.00		4.52	4.57	5.13	4.67
Twin Falls / Buhl Jerome / Wendell	6.00		4.50			
Nampa / Weiser			NA			
Nezperce / Craigmont	4.71		5.22	5.44	6.29	
Lewiston	5.23		5.48	5.70	6.55	
Moscow / Genesee	4.74-4.93		5.25-5.37	5.47-5.49	6.32-6.39	

Prices at Selected Terminal Markets, cash FOB
 Wednesday April 8, 2020. Barley prices in \$/Cwt. And wheat prices in \$/bu.

	#2 Feed Barley 46 lbs. --	Malting Barley	#1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% Protein	#1 HWW
Portland			6.05-6.10	6.18-6.40	6.65-7.00	
Ogden	7.55		4.55	4.83	5.11	4.38
Great Falls	4.50-6.50			4.99-5.10	5.50-5.58	
Minneapolis						

Market News and Trends This Week

BARLEY—Idaho cash feed barley prices and Idaho cash malt barley prices were unchanged for the week ending April 8. For the period March 27– April 2 USDA FAS reported 200 MT for net barley for 2019/2020 to South Korea. Exports of 100 MT to Taiwan were down 86 percent from the prior week and 90 percent from the previous week to Japan.

Barley and Beer Industry News—Constellation Brands has halted construction of its planned brewery in Mexicali, Baja California according to news reports, after three quarters of voters there rejected the project in a referendum vote in late March over concerns of water availability in the Mexicali Valley, even though only 3.5 percent of people there participated in the vote. The reported \$1.4 billion brewery was intended to brew beer for export—including Corona, Modelo and Pacifico. Constellation Brands remain firm in its aspiration to have a greater productive capacity in Mexico to amp up its beer business in the United States. "We have extensive production capacity to continue driving the growth of our beer business in the medium term and we are working with local authorities and government officials in Mexico to ensure that we have extensive long-term capacity as our business continue to grow and evolve," said Bill Newlands, president and CEO of Constellation Brands. "We will continue working with local authorities and federal officials in Mexico to reach an optimal solution for our business. We have had a mutually beneficial relationship with Mexico for more than 30 years and we hope that this will continue," he added. There was an intense campaign against the brewery by a resistance movement, according to Daniel Solorio, a lawyer for the opposition. "Mexico is the world's biggest beer exporter, but the industry has become the focus for resentment in the arid north where breweries are perceived as using scarce water resources to slake U.S. thirst at a time when climate change is exacerbating droughts in the region," said Solorio. President Andrés Manuel López Obrador said, "We're not against foreign investment, but we also have to take the people's opinion into account and take care of our natural resources." In other Mexico news, a U.S. Grains Council report this week said 25 percent of Mexican craft breweries have closed and around 225 craft beer companies have temporarily stopped their production due to the collapse in sales that the sector registered in the last three weeks due to Covid-19. The Association of Craft Brewers of Mexico (Acermex), which is made up of 900 micro, small and medium-sized companies, reports sales have decreased between 50 and 80 percent.

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Market News and Trends This Week—continued

WHEAT—Idaho cash wheat prices were mixed for the week ending April 8. SWW prices ranged from down \$0.15 to up \$0.08 from the previous week; HRW prices were down \$0.13 to up \$0.04; DNS prices were down \$0.07 to up \$0.15; and HWW prices were down \$0.13. USDA FAS reported net sales for 2019/2020 for the period March 27– April 2 at 258,600 MT, up noticeably from the prior week but down 36 percent from the previous 4 week average percent. Increases were to Taiwan (98,300 MT), the Mexico (84,300 MT), Nigeria (66,000 MT), Italy (48,300 MT), and Guatemala (38,300 MT). Exports of 380,000 MT were up 39 percent from the previous week and up 1 percent from the prior 4-week average.

Wheat News— According to Agricensus, U.S. wheat export expectations were cut in the USDA's April World Supply and Demand Estimates Report (WASDE) published Thursday, with sellers struggling to compete with overseas origins, while Russian exporters are expected to cede ground to the EU due to a recent grain export limit. "The outlook for 2019/20 US wheat is for lower exports, reduced domestic use, and increased ending stocks," the USDA said in its wheat comment, defying expectations that a recent surge in consumer flour demand had significantly altered its balance sheet. By class, hard red winter stocks were raised 19 million bushels to 503 million bushels, soft red winter was lifted 10 million bushels to 116 million bushels, and hard red spring was up 1 million bushels to 250 million bushels. "Wheat exports are also cut... on a slowing pace and prices that have become uncompetitive in many international import markets," the report said. See page 4 for more of the WASDE summary report.

CORN—USDA FAS reported net export sales for 2019/2020 for period March 27– April 2 of 1,848,900 MT, increases were primarily to Japan (702,600 MT), South Korea (331,900 MT), Mexico (179,600 MT), Saudi Arabia (139,100 MT), and Israel (65,000 MT). Exports of 1,290,300 MT were to Japan (377,800 MT), Mexico (315,300 MT), South Korea (154,000 MT), Saudi Arabia (139,100 MT), and Taiwan (77,900 MT).

Ethanol Corn Usage—DOE's Energy Information Agency (EIA) reported ethanol production for the week ending April 3 averaged 672 thousand bbls/day – down 20.00 percent from the previous week and down 32.93 percent from last year. Total ethanol production for the week was 4.704 million barrels. Ethanol stocks were 27.091 million bbls on April 3, up 5.34 percent from last week and up 16.81 percent from last year. An estimated 66.73 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 3.14 billion bu. Corn used needs to average 107.415 million bu per week to meet USDA estimate of 5.425 billions bu for the crop year.

Futures Market News and Trends—Week Ending April 9, 2020

FUTURES MARKET SETTLEMENT PRICES for the Week Ending Thursday, April 9, 2020:

Commodity	May 2020	Week Change	July 2020	Week Change	September 2020	Week Change	December 2020	Week Change
CHI SRW	\$5.49 ¹ / ₄	\$0.07 ¹ / ₄	\$5.45	\$0.12 ¹ / ₂	\$5.47	\$0.14 ¹ / ₄	\$5.67 ³ / ₄	\$0.13 ¹ / ₂
KC HRW	\$4.92	\$0.20	\$4.99	\$0.20 ¹ / ₂	\$5.05 ³ / ₄	\$0.19 ¹ / ₄	\$5.15 ¹ / ₂	\$0.16
MGE DNS	\$5.32 ¹ / ₂	\$0.08	\$5.44	\$0.08 ¹ / ₂	\$5.53	\$0.09	\$5.64 ¹ / ₄	\$0.09
CORN	\$3.31 ³ / ₄	\$0.01	\$3.36 ³ / ₄	\$0.00	\$3.41 ³ / ₄	\$0.00 ¹ / ₂	\$3.50 ³ / ₄	\$0.00

WHEAT FUTURES—Wheat futures prices are up with an optimist rise in the stock market. **Wheat futures prices were up \$0.07¹/₄ to up \$0.20¹/₂ (per bu) compared to the previous week.**

CORN FUTURES—Corn futures prices are up slightly with a rise in domestic and global demand for market week ending April 9. **Corn futures prices ranged from unchanged to up \$0.01 (per bu) under the previous week.**

CRUDE OIL FUTURES—U.S. oil prices fell dramatically again despite OPEC reaching a commitment today to cut 10 million bpd of oil production in both May and June. Oil prices reacted poorly to the largest production cut in OPEC's history, as it had hoped for a larger cut.

EIA reported U.S. crude oil refinery inputs averaged 13.6 million bbls/day during the week ending April 3, 2020 was 1.3 million bbls/day less than last week's average. Refineries operated at 75.6% of capacity last week. As of April 3, there was an increase in Crude Oil stocks of 15.177 million bbls from last week to 484.37 million bbls, over the 5-year average of 474.951 million bbls. Distillate stocks decreased by 0.476 million bbls to a total of 122.724 million bbls, under the 5-year average of 139.830 million bbls; while gasoline stocks increased by 10.497 million bbls to 257.303 million bbls, over the 234.366 million bbl 5-year average. The national average retail regular gasoline price was \$1.924 per gallon on April 6, \$0.081 lower than last week's price and \$0.821 under a year ago. The national average retail diesel fuel price was \$2.548 per gallon, down \$0.038 per gallon from last week's level and down \$0.545 from a year ago.

NYMEX Crude Oil Futures finished the week ending Thursday, April 9, 2020 to close at \$22.76/bbl (May contract), down \$5.58 a for the week.

United States Drought Monitor by the National Drought Mitigation Center—April 7, 2020

National Drought Summary for April 7, 2020:

Northeast— The region is drought free.

Southeast— Expansion of abnormal dryness and moderate drought in the southern portions of Alabama, Georgia, and Florida.

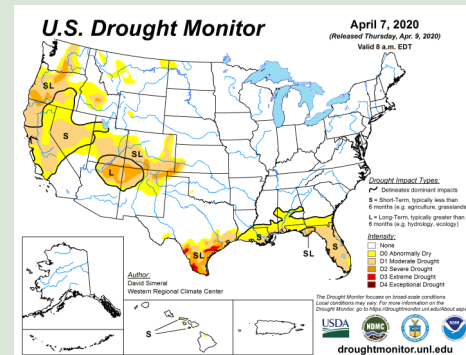
South— Expansion of moderate, severe, and extreme drought in Louisiana, Mississippi, Texas, and the Gulf Coast region.

Midwest— No drought or abnormal dryness in the Midwest this week.

High Plains— Minor improvements of abnormal dryness in northeastern Colorado, west-central Kansas, and southwestern Nebraska. Drought related conditions deteriorated in southwestern Kansas and south-central Colorado in the San Luis Valley.

West—Improvements in west-central Oregon and in south-central Idaho. Moderate drought was added in west-central Utah and east-central Nevada. Removal of abnormal dryness in areas from Monterey County southward to San Diego County, California.

Looking Ahead— Light to moderate rainfall in portions of the South including Louisiana and Mississippi as well as parts of the Southeast including Alabama, the Florida panhandle, and Georgia. Small amounts of precipitation (1-3 inches) in



USDA U.S. Crop Weather Highlights—April 9, 2020

West—Heavy rainfall across the southern half of California threatening flash flooding and heavy snow at elevations above 5000 feet. Dry, warm conditions in the Northwest favoring fieldwork and crop development. Many fruit crops are in bloom in the Northwest.

Plains—Dry, cool conditions. Twenty five of winter wheat was jointed in Kansas, sixty two of the crop of Oklahoma as of April 5. Twenty nine percent of winter wheat was headed in Texas as of April 5.

Corn Belt— Cold conditions. Scattered showers and snow across the Midwest and downwind of the Great Lakes. Most spring fieldwork is on hold because of concerns about the turn toward sharply colder conditions.

South— Scattered showers and thunderstorms in the vicinity of a cold front from Virginia to Texas. Cool air moving north, warm condition along the Gulf Coast and in the southern Atlantic States. Spring planting in areas of the Deep South. Excessive wetness hinders fieldwork in areas of the interior South.

Outlook for U.S.— Below normal temperatures in central and southern California. A storm will cross the southern Plains and reaching the Great Lakes region. Accumulating snow developing across the northern sections of the Rockies and High Plains, spreading to the central Rockies and central Plains. A combination of cold, windy, snowy conditions may restrict travel and significantly stress livestock. Heavy rainfall and severe thunderstorms across the South. The NWS 6-10 weather outlook for April 14-18 calls for below normal temperatures from the Rockies to the Appalachians. Chilly conditions will dominate the country except warmer than normal across Florida's peninsula and along the Pacific Coast. Near or below normal rainfall across much of the country, except wetter than normal conditions in the East and central sections of the Rockies and High Plains.

International Crop Weather Highlights—April 7, 2020

Europe— Sunny skies over the central and northern Europe, benefiting vegetative wheat and rapeseed. Sharp, cold weather sowed winter crop growth.

Middle East— Heavy rainfall from Turkey into Iran. Good to excellent prospects for vegetative to winter grains.

Asia— Heat across India facilitating rabi crop harvesting and early fieldwork preparations for rice and cotton sowing in the north. Showers and cool conditions in eastern China favored vegetative wheat and reproductive rapeseed. Heavy rainfall boosted moisture supplies for reproductive early crop rice in southeastern China. Showers improved soil moisture for oil palm in Indonesia and Malaysia. Showers in northeastern Thailand and nearby parts of Indochina favored rice growing.

Australia— Heavy rainfall in the east, hindering summer crop harvesting. In need of more soil moisture in advance of wheat sowing.

South America— Light showers brought little relief from dryness to corn areas of southern Brazil. Sunny skies promoted growth of corn and cotton farther north. Rainfall throughout Argentina. Favorable levels of moisture for late corn and soybean growth, slowing cotton and mature summer grains and oilseeds harvesting.

South Africa— Heavy rainfall boosted moisture levels for late developing corn.

Northwestern Africa— Rainfall eased drought and improved prospects for reproductive winter grains in eastern Algeria and Tunisia. Wheat and barley's yield losses are largely irreversible in Morocco.

USDA Crop Progress / Condition Report- April 6, 2020

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition Rating % Good/Excellent	Previous Week	Previous Year
US Winter Wheat Planted					62%	NA	60%
ID Winter Wheat Planted					81%		
US Winter Wheat Emerged							
ID Winter Wheat Emerged							
US Barley							
ID Barley							
Corn							

WASDE/World Agricultural Supply and Demand Estimates April 9, 2020

WHEAT: The outlook for 2019/20 U.S. wheat is for lower exports, reduced domestic use, and increased ending stocks. The NASS Grain Stocks report, issued March 31, implied less feed and residual disappearance for both the second and third quarters than previously estimated. Total 2019/20 feed and residual use is trimmed 15 million bushels to 135 million. Wheat exports are also cut 15 million bushels to 985 million on a slowing pace and prices that have become uncompetitive in many international import markets. By class, Hard Red Winter and Soft Red Winter are reduced 10 million and 5 million bushels, respectively. The changes result in a 30 million bushel increase in estimated all wheat ending stocks to 970 million. Despite the larger ending stocks, the projected season-average farm price is raised \$0.05 per bushel to \$4.60 on updated NASS data as well as surging nearby cash and futures prices, partially resulting from the global COVID19 pandemic.

The 2019/20 global outlook is for slightly higher supplies, but reduced trade and utilization. Global production is lowered fractionally with several small mostly offsetting changes. Global exports are lowered 0.9 million tons, led by a 1.5-million-ton reduction for Russia, which was directly offset by an equivalent increase for the EU. The Russia change is based primarily on newly imposed government export restrictions. The EU is raised on less competition from Russia as well as expectations of a continued strong pace of exports. Several smaller export reductions are made; notably a 0.4-million-ton reduction for the United States and a 0.3-million-ton reduction for Pakistan. Global imports are reduced 0.3 million tons each for Brazil, Japan, and Uzbekistan; a 0.3-million-ton increase for Morocco is partially offsetting. Aggregate world consumption is lowered 5.1 million tons following updates to several countries. The largest reductions are 2.0 million tons for China, 1.9 million for India, and 1.0 million for the EU. With supplies higher and use down, projected 2019/20 global ending stocks are raised 5.6 million tons to a record high 292.8 million.

COARSE GRAINS: This month's 2019/20 U.S. corn outlook is for reduced imports, greater feed and residual use, lower food, seed, and industrial use, and larger stocks. Feed and residual use is raised 150 million bushels to 5.675 billion. This is based on corn stocks reported as of March 1 which indicated disappearance during the December/February quarter rose about 4 percent relative to a year ago. Lower forecast corn used for ethanol also supports larger feed and residual use. Corn used to produce ethanol is lowered 375 million bushels to 5.050 billion based on the latest indications from Energy Information Administration data indicating an unprecedented decline in ethanol production and motor gasoline consumption as a result of COVID-19. Partly offsetting is a forecast increase in the amount of corn used for alcohol for beverages and WASDE-599-2 manufacturing use. With supply down fractionally and use declining, ending stocks are raised 200 million bushels to 2.092 billion. The season-average marketing weighted corn price received by producers is lowered 20 cents to \$3.60 per bushel.

BARLEY: The April 9 report shows the outlook for 2019/20 U.S. barley supplies unchanged since March at 264 million bushels. With projected yield and production also unchanged, at an estimated 77.7 bushels/acre yield and 2.2 million acres expected to be harvested. Projected use is increased to an estimated 177 million bushels, and projected imports unchanged at 8 million bushels. Ending stocks for 2019/20 are projected to be 87 million bushels. The season-average farm price is unchanged at \$4.60 on updated NASS prices.